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Farm Broadcasters Letter

Letter No. 2290

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WORLD ECONOMIC GROWTH TO RECOVER

The world economic growth in 1987 is expected to recover to 1985's 2.9 pct., after slowing to an estimated 2.5 for 1986, according to the U.S. Department of Agriculture. Lower oil prices and interest rates, and stronger Japanese and European currencies, will stimulate growth among the industrialized countries. This, in turn, will increase the demand for developing country exports. Rising prices for exports, plus the lower cost of imported oil and the opportunity to reschedule debts at reduced interest rates, will enhance developing-country growth into 1988.

GLOBAL FEED GRAIN PRODUCTION

The global feed grain production in 1986/87, at more than 830 million tons, is forecast by the U.S. Department of Agriculture to be second only to 1985/86, when domestic production was almost 25 million tons larger. Offsetting the U.S. decline somewhat, foreign production will likely grow by about 6 million tons. Production for 1986/87 in foreign coarse-grain exporting countries - including Argentina, Australia, Canada, S. Africa and Thailand - is only marginally larger, at 66 million tons. However feed-quality wheat, particularly from Canada and Australia, is competing with coarse grain exports this year.

U.S. FEED GRAIN SITUATION

The current feed grain situation is characterized by record carryin, large crops, static demand, and low prices, according to the U.S. Department of Agriculture. Although 9 pct. below last year's record, the 1986 U.S. feed grain crop is still large, at 250 million metric tons, despite heavy participation in the feed grain acreage reduction program. The average yield per acre of 2.47 tons exceeds last year's record 2.45 tons. Corn yields are expected to average 119.3 bushels per acre, exceeding the 1985 record. The 1986/87 corn supply is estimated at 12 billion 300 million bushels, 14 pct. above the 1982/83 record.

EC TARGETS MEDITERRANEAN

The European Community offered a special one-day wheat subsidy of \$24 per metric ton, on top of the current \$133 per ton export subsidy for wheat destined to Egypt and Algeria, according to the U.S. Department of Agriculture. In the past two months, the EC has been offering sharply reduced wheat export prices in the Mediterranean in an effort to regain market share and reduce burgeoning wheat surpluses.

A SOVIET
FIRST IN
6 YRS.

For the first time in 6 years, the Soviet Union has published grain data by grain type. Indications are that Soviet production in 1986/87 is better than anticipated. The U.S. Department of Agriculture raised its forecast of the Soviet crop to 195 million tons, above the previous year and the second largest this decade.

TRADE WITH
MEXICO AND
JAPAN

The United States incurred its worst agricultural trade deficit with Mexico during fiscal 1986, according to the U.S. Department of Agriculture. Several factors contributed to lower Mexican import demand, including larger output of major crops and falling oil prices. At the same time, U.S. imports from Mexico were record high. U.S. agricultural exports to Japan fell to their lowest since 1979. Declining exports and record imports drove the fiscal 1986 U.S. agricultural trade balance down to \$5 billion 400 million, the lowest since 1972. In fiscal 1987, rising volume is expected to help offset lower prices.

REVISIONS IN
ASCS PROGRAM

The U.S. Department of Agriculture plans to change the way commodity certificates are exchanged for Commodity Credit Corporation-owned stock. The changes are effective Dec. 1. They include: Commodity values will be determined on the basis of a comparison of at least two applicable terminal markets instead of one; All certificate exchange requests must be made by telephone; New catalogs listing CCC commodities eligible for exchange will be issued. For more information, contact your local USDA's Agricultural Stabilization and Conservation Service.

RESEARCH RESULTS
ON COMPUTERS

A new computer service offered by the U.S. Department of Agriculture will provide data 24 hours a day on the latest research coming from USDA laboratories. The service is free to companies as well as commodity and farm organizations. The service, known as TEKTRAN, is based at the Agricultural Research Center, Beltsville, MD. Users can connect their computers and telephone modems to the service on a first come, first served basis. They pay only telephone charges. There are at least 7000 summaries in the computer and about 300 new entries filed each month. (For more information, contact James Hall, 301/344-4045.)

RED MEAT
PRODUCTION

Commercial red meat production for the U.S. in Oct. 1986 totaled 3 billion 500 million pounds, down 1 pct. from Oct. 1985, according to the U.S. Department of Agriculture. Beef production at 2 billion 150 million pounds, 2 pct. above 1985. Pork production at 1 billion 280 million pounds, was down 6 pct. from Oct. 1985. Lamb and mutton production, at 30 million pounds, was down 9 pct. from Oct. 1985. Veal production, at 44 million pounds, was down 4 pct. from Oct. 1985.

BUSINESS
MANAGEMENT IN
AGRICULTURE

A training program called "Business Management in Agriculture," was developed by the U.S. Department of Agriculture's Cooperative Extension Service, in cooperation with the Farm Credit System. This program uses videotapes to help farmers and ranchers develop financial management skills. It's designed for use by county Extension agents to assist farmers and ranchers in their local communities. For more information, contact your local Extension Office.

FROM OUR
TELEVISION
SERVICE

WORLD AGRICULTURAL OUTLOOK...USDA economist Cecil Davison examines the situation and outlook for world agriculture including factors that are expected to stimulate world economic growth in 1987. DeBoria Janifer interviews. (326)

FEED OUTLOOK...Record carryin, large crops, static demand and low prices characterize the current feed grain situation. USDA economist David Hull focuses on current yields and how farm prices might be affected by large supplies aned moderate demand. DeBoria Janifer interviews. (327)

IMPACT OF DECLINE IN U.S. EXPORTS...The sharp downturn in U.S. agricultural exports has had ripple effects in the farming communities that depend on sales of "export-oriented" crops. USDA economist Judith Sommer talks about a study recently conducted to determine where the decline has hit the hardest. DeBoria Janifer interviews. (328)

WETLANDS TO FARMLANDS...USDA economist Ralph Heimlich focuses onn actions being taken to halt conversion of wetlands to farmlands and how these actions will affect agricultural production. DeBoria Janifer interviews. (329)

ARS SCIENTISTS OF THE YEAR AWARDS...USDA biochemist Dr. Philip Kearney was among the leading scientists honored at a recent ceremony in Washington, D.C. for outstanding scientific advances made during the year. DeBoria Janifer interviews. (330)

FROM OUR RADIO
SERVICE

AGRICULTURE USA #1539...(Weekly 13½ min documentary) Scientists are unveiling dozens of new varieties of houseplants and flowers. Brenda Curtis has a report.

AGRITAPE/FARM PROGRAM REPORT #1528...(Weekly reel of news features) USDA news highlights; National Commission on Dairy Policy; Handling rural waste water; High tech nematode control.

CONSUMER TIME #1021...(Weekly reel of 2½-3 min features) Christmas tree prices; A second hand rose; Are older mothers happy?; Problems of young female athletes; Some sensible party food.

USDA RADIO NEWS SERVICE...(coverage of Outlook Conference continues) Wed, Dec. 3, Stories will include outlook excerpts re wheat, cotton, tobacco, feed grains, oilseeds, fruits/vegs, food prices, livestock (or as many stories as we can fit onto our 10:30 news carts); Thurs, Dec. 4, Outlook stories on farm income, credit, trade issues; Tues, Dec. 9, Horticultural products, crop and weather update; Wed, Dec. 10, U.S. crop production; world supply and demand, Soviet crop outlook; Fri, Dec. 12, Milk production, world crop production, world cotton situation, world oilseed situation. Dial the USDA National News Line 202-488-8358 or 8359. All material changed at 5 p.m. ET each working day.

OFF MIKE

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Before going any further, we want to tip our hat to Ken Root (KWCH-TV/KBS, Hutchinson, KS) for a job well done as NAFB president. He passed the president's gavel (two in fact) to Evan Slack (Evan Slack Net, Denver, CO) at the Saturday night NAFB banquet in Kansas City, but not before hearing the history of his personal and professional lives in rhyme written and delivered by Russell Pierson. A truly note-worthy epic poem ... Bill Satterfield will be leaving WSBY/WQHQ, Salisbury/Ocean City, Maryland, to become the executive assistant for the Delmarva Poultry Industry. Consequently, the stations are looking for his replacement. If you're interested, call 301-742-1923 ... Ron Arp has left KWHT/Pacific Northwest Farm Net, Pendleton, OR, and is the communication director for the Nebraska Beef Board. KWHT station owner/manager Andy Harle is looking for a replacement. His number is 503-278-2500 ... New man at Brownfield Network, Centertown, MO, is Dick Marshall. He replaces Brent Thompson, who is now with KWTO, Springfield, MO ... More from the NAFB meeting. The DeKalb "Oscars in Agriculture" awards were handed out by Bob Pritchard. The winner in the radio category was Art Sechrest (WJBC/Farm Radio Illinois, Bloomington). Honorable mention went to Rich Balvanz (WMT, Cedar Rapids, IA). In the individual TV category, Mike Miller (KOLN/KGIN-TV, Lincoln, NE) walked off with the Oscar. The team effort TV Oscar went to William Cole, Dale Carpenter, and Mike Mottler (Arkansas Educational TV Network). Honorary mention team effort awards went to Bryce Anderson and Jim Fackler (WOWT-TV, Omaha, NE) and to the MacNeil-Lehrer NewsHour ... We will be conducting a Telephone Press Conference for farm broadcasters, December 16, with Sec'y of Agric Richard Lyng from 11:00 -11:30 a.m. EST. If you would like to participate, call by 5:00 p.m. EST, Dec. 12. Our number is 202-447-4330. Ask for me, Margaret, or Florence.

Jim Johnson
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